

**IN THE UNITED STATES BANKRUPTCY COURT
FOR THE DISTRICT OF DELAWARE**

In re:

SUNPOWER CORPORATION., *et al.*,¹

Debtors.

Chapter 11

Case No. 24-11649 (CTG)

(Jointly Administered)

**RESERVATION OF RIGHTS OF LEONARD ROOFING, INC.,
REGARING AMENDED JOINT CHAPTER 11 PLAN OF
SUNPOWER CORPORATION AND ITS DEBTOR AFFILIATES**

Leonard Roofing, Inc. (“LRI”), by its undersigned counsel, files this Reservation of Rights Regarding the *Amended Joint Chapter 11 Plan of SunPower Corporation and Its Debtor Affiliates filed by SunPower Corporation and its Debtor Affiliates* on October 15, 2024 (“Plan”), and in support thereof, avers as follows:

CONCISE BACKGROUND

1. Based in Temecula, California, LRI is a regional roofing, sheet metal, and photovoltaic solar contractor primarily focused on residential installations for the largest new home builders in Southern and Central California. Since 2015, LRI has maintained its status as a certified installation partner of SunPower Corporation (“Sunpower”), one of the above-captioned Debtors. LRI and SunPower entered into that certain Master Subcontract Agreement (the “MSA”) as of September 13, 2016,² Installation Partner Warehousing Addendum (the “Addendum”) as of September 13, 2016, and Amendment to the Master Subcontract Agreement (the “Amendment”) as

¹ Debtors in these chapter 11 cases, along with the last four digits of each Debtor’s federal tax identification number, are: SunPower Corporation (8969); SunPower Corporation, Systems (8962); SunPower Capital, LLC (8450); SunPower Capital Services, LLC (9910); SunPower HoldCo, LLC (0454); SunPower North America, LLC (0194); Blue Raven Solar, LLC (3692); Blue Raven Solar Holdings, LLC (4577); BRS Field Ops, LLC (2370); and Falcon Acquisition HoldCo, Inc. (3335). The location of the Debtors’ service address for purposes of these chapter 11 cases is: 880 Harbour Way South, Suite 600, Richmond, CA 94804.

² The MSA amended and replaced any previous agreements by and between LRI and SunPower, including the Master Subcontract Agreement – New Homes Installation Partner dated June 29, 2015.

of September 1, 2023 (the MSA, Addendum, and Amendment, the “LRI Contracts”).

2. LRI provided essential work for the Debtors. The Agreements set forth the terms and conditions upon which LRI installs, maintains, repairs, and removes solar energy systems for residential homeowners that contract with SunPower. Under the MSA, LRI is to commence work when SunPower provides LRI with a new home purchase order that defines the scope of work for LRI to complete. In exchange for providing such services, SunPower pays LRI in accordance with the terms of, and the pricing schedules set forth in, the Agreements.

3. On August 5, 2024 (the “Petition Date”), the Debtors commenced the above-captioned cases.

4. In response to the *Notice of Potential Assumption or Assumption and Assignment of Certain Contracts and Leases* [Dkt. 304] (the “Cure Notice”), LRI filed its *Objection Regarding Notice of Potential Assumption or Assumption and Assignment* [Dkt. 478] (the “Cure Objection”), asserting \$18,202,197.20³ as the amount owed to LRI as of the Petition Date and no less than \$4,176,636 (the “Asserted LRI Administrative Expense Claim”)⁴ owed *after* the Petition Date.

5. On or about September 27, 2024, LRI was advised that the LRI contracts were being rejected. LRI then engaged in good faith negotiations with the Debtors regarding a proposed stipulation that (i) provided for the formal rejection of the LRI Contracts; (ii) granted LRI limited relief from the automatic stay to terminate the LRI Contracts; and (iii) set forth the process by which the Debtors and LRI would seek to consensually resolve the Asserted LRI Administrative Expense Claim.

6. As of the filing of this *Reservation of Rights*, LRI and the Debtors have agreed upon

³ LRI is in the process of preparing and filing its proof of claim by the applicable claims bar deadline.

⁴ The amount of the LRI Administrative Expense Claim set forth in the Stipulation (as defined herein) is \$4,471,630.00, which exceeds the amount set forth in the Cure Objection because, after the filing of the Cure Objection, LRI continued providing services to the Debtors under the LRI Contracts.

the terms and conditions of a stipulation (the “Stipulation”) that will formally reject the LRI Contracts, grant LRI limited relief from the automatic stay to formally terminate the LRI Contracts, and approve the process by which the Debtors and LRI will seek to resolve the Asserted LRI Administrative Expense Claim, said Stipulation being submitted (presumably today) under certification of counsel.

RESERVATION OF RIGHTS

7. The Debtors filed the *Amended Joint Chapter 11 Plan of SunPower Corporation and Its Debtor Affiliates* [Docket No. 784] (the “Plan”) on October 15, 2024. While the Stipulation resolves a critical concern of LRI with respect to the Plan – i.e., whether the Debtors will have sufficient funds to satisfy *all* allowed administrative expense claims – LRI files this *Reservation of Rights* to preserve its ability to appear at the hearing to consider confirmation of the Plan and be heard on any issues raised during the confirmation hearing.

WHEREFORE, Movant, Leonard Roofing, Inc., respectfully submits this Reservation of Rights to preserve its rights to appear and be heard at the confirmation hearing.

Dated: October 16, 2024

Respectfully submitted,

RAINES FELDMAN LITTRELL LLP

/s/ Thomas J. Francella, Jr.

Thomas J. Francella, Jr. (No. 3835)

Mark W. Eckard (No. 4542)

1200 N. Broom Street

Wilmington, DE 19806

Telephone: (302) 772-5805

Email: tfrancella@raineslaw.com

meckard@raineslaw.com

- and -

Daniel R. Schimizzi (*pro hac vice* forthcoming)
11 Stanwix Street, 11th Floor
Pittsburgh, PA 15222
Telephone: (412) 899 - 6474
Email: dschimizzi@raineslaw.com
mroeschenthaler@raineslaw.com
jkelly@raineslaw.com

- and -

GOLDEN GOODRICH LLP

Jeffrey I. Golden, Esquire (*pro hac vice* forthcoming)
Ryan W. Beall, Esquire
3070 Bristol Street, Suite 640
Costa Mesa, California 92626
Telephone: 714-966-1000
Facsimile: 714-966-1002
Email: jgolden@go2.law
rbeall@go2.law

Counsel to Leonard Roofing, Inc.